

FISCAL NOTE

HB 3740 - SB 3779

March 26, 2006

SUMMARY OF BILL: Revises the guidelines for the issuance of debt by public entities. Requires the State Funding Board to adopt model policy, procedures, and forms for public finance filings. Requires the State Funding Board to establish model debt and derivatives policies for public entities. Requires public entities to use the RFP process for procurement of public finance professionals.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Local Govt. Expenditures – Net Decrease – Exceeds \$100,000

Assumptions:

- A not significant increase in state expenditures for administrative expenses relative to the design of model policy by the State Funding Board.
- A not significant increase in local government expenditures to conduct the required RFP's.
- A decrease in local government expenditures due to lower expenses and lower interest cost for the issuance of debt. The amount of such decrease cannot be quantified but can reasonably be estimated to exceed \$100,000.
- Over \$2,000,000,000 in debt is issued annually.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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